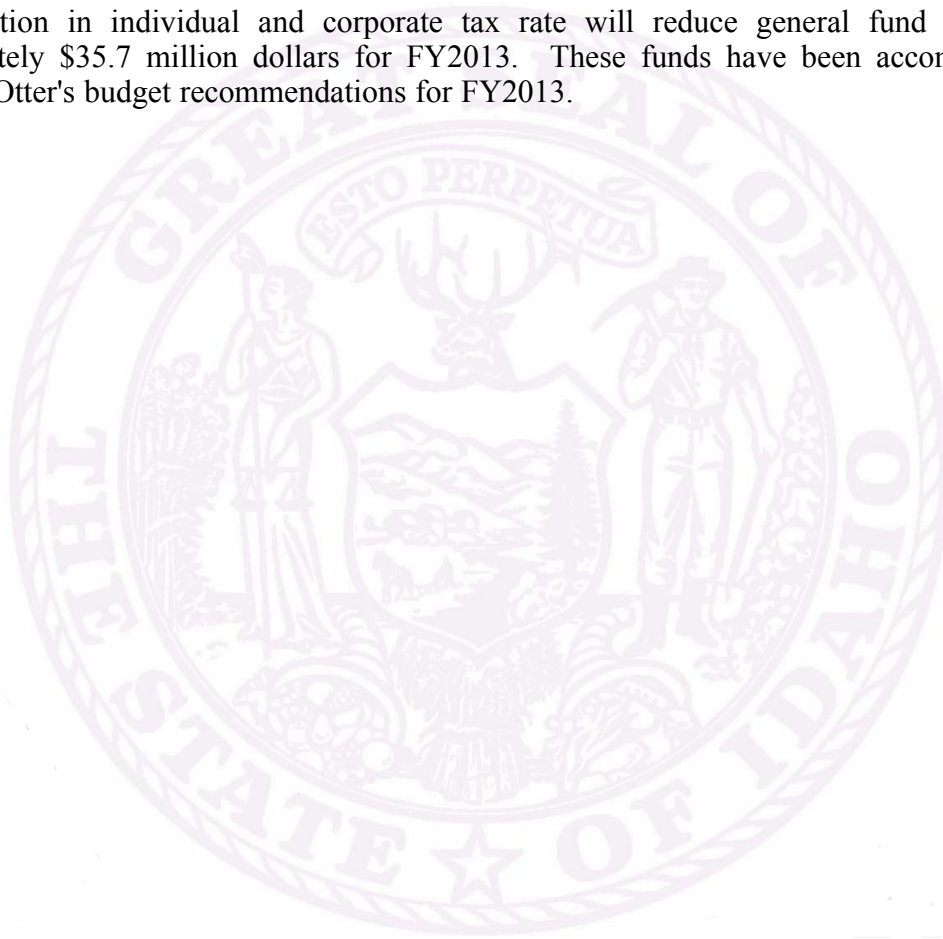


STATEMENT OF PURPOSE**RS21286**

This legislation reduces the Idaho individual and corporate income tax rates on a certain amount of Idaho taxable income. The maximum individual income tax rate imposed upon individuals is reduced from 7.8% down to 7.4%, and the maximum corporate income tax rate imposed upon registered Idaho corporations is reduced from 7.6% down to 7.4%.

FISCAL NOTE

The reduction in individual and corporate tax rate will reduce general fund revenues by approximately \$35.7 million dollars for FY2013. These funds have been accommodated in Governor Otter's budget recommendations for FY2013.

**Contact:**

Name: Governor C.L. Butch Otter

Phone: (208) 332-2100

Representative Mike Moyle

Senator Chuck Winder

Phone: (208) 332-1000

Statement of Purpose / Fiscal Note

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